

Economic Sociology

Instructor: Juan Díez Medrano

Schedule: Wednesdays, from 11am to 14 pm.

Course Description

This seminar focuses on the contributions of the “New Economic Sociology”. The past twenty-five years have witnessed an almost revolutionary transformation in the field of sociology’s approach to the economy. This renewal process challenges many of economics’ premises. Among them the claims that economic behavior is rational and conducted by isolated individuals. Against these premises, the “New Economic Sociology” stresses the limitations of rationality and the social character of all economic behavior. The seminar deals sequentially with some of the most significant contributions to the “New Economic Sociology” field. It prioritizes conceptual and analytical aspects. The course is divided in three parts: The first one presents basic concepts in the New Economic Sociology: Cognition, Institutions, Power, Networks. The second one examines the most important economic institutions and the role of the State in the Economy: Markets and Firms. Finally, the course devotes a session to the value of things.

Evaluation

A- Based on participation and preparedness. Students will be assigned readings to present. These presentations must be short, no more than ten minutes. The presenter must outline the argument in schematic form (main ideas and their articulation) instead of in sequential form (as it appears in the text). When presenting empirical papers, the presenter must be able to represent the causal argument as a diagram with variables and arrows, ordered in path-analytical form. In addition to the synthesis, the presenter will address the following questions:

1. Are there arguments or concepts he or she had trouble understanding? (to be clarified by the rest of the group)
2. Is there anything in the text that he or she finds counter-intuitive? Unconvincing? Justify (participation by the rest of the class required)
3. Is there an analytical question that he or she could pursue in a research project, based on the text?

The presenter will have to turn-in a one-page summary of notes related to the text. The instructor will also collect two sets of notes from randomly chosen students in class and regarding a specific reading for the particular session.

B- Based on group work: Students will be divided into groups in order to conduct research on the following topics connected to the market for low or no-emission car vehicles:

1. The producer market for low and no-emission vehicles: Main players, choices made by players (e.g. how much and in which type of vehicles to invest), motivation and rationale behind the choices.
2. consumer market for low and no-emission vehicles: Prevalence, market growth, the decision to purchase a low or no-emission car vehicle.

3. The role of the state in the creation and development of a market for low or no-emission vehicles: Regulatory frameworks, investment, policy, rationale behind choices
4. The role of non-state and international actors in the creation and development of a market for low or no emission vehicles. Mobilization tactics, Explaining success in different parts of the world, rationale behind decisions and mobilization.

Every week, one or two groups will be asked to report on their progress. In the course's last two sessions, the groups will present their preliminary findings. No paper required.

C-All students will present a five-hundred word encapsulation of what the field of Economic Sociology is and has taught us. Due on the date of the ordinary exam.

Course schedule

I- Origins:

Marx, Karl. 1844. "Estranged Labor", "The Meaning of Human Requirements", y "The Power of Money in Bourgeois Society" Pp. 70- 81 and 93-105 in *Economic and Philosophical Manuscripts*. Third Manuscript (In Robert Tucker (Ed.) 1978. *The Marx-Engels Reader*. New York: Norton

Weber, Max. [1919-1920. 1968]. "Modern Capitalism" Chapter 12 in "On Charisma and Institution Building". S. N. Eisenstadt (Ed.). Chicago: The University of Chicago Press (Pp. 140-165)

Mauss, Marcel. [1925. 2000] "The Exchange of Gifts and the Obligation to Reciprocate", Chapter 1 in *The Gift*. Routledge.

Polanyi, K.. 1971. "The Economy as Institutionalized Process". In C.M. Arensberg y H.W. Pearson (Ed.) *Trade and Market in Early Empires*.

II-Cognition:

March, James. 1978. "Bounded Rationality, Ambiguity, and the Engineering of Choice. *The Bell Journal of Economics* 9, 2: 587-608.

Kahneman, Daniel. 2003. *Maps of Bounded Rationality: Psychology for Behavioral Economics*. American Economic Review.

Weick, Karl. Chapter from *Sense Making in Organizations* in *The New Economic Sociology*, by Frank Dobbin.

III-Uncertainty and the Economy:

Beckert, Jens. 2013. "Imagined Futures: Fictional Expectations in the Economy." *Theory and Society* 42, 3: 219-240.

Braun, Benjamin. 2015. "Governing the Future: The European Central Bank's Expectation Management during the Great Moderation." *Economy and Society* 44, 3: 367-391.

IV- Institutions:

North, Douglass. 1993. Part I in *Institutions, Institutional Change, and Economic Performance* (Pp. 3-69). Cambridge: Cambridge University Press.

Meyer, John W and Brian Rowan. 1977. "Institutionalized Organizations: Formal Structures as Myth and Ceremony". *American Journal of Sociology* 83: 340-363. (From JSTOR)

V-Culture:

Berger, Peter L. y Thomas Luckmann. "From The Social Construction of Reality." Pp. 496-515 in Frank Dobbin (Ed.) *The New Economic Sociology*. Princeton: Princeton University Press.

Swidler, Ann. 1986. "Culture in Action: Symbols and Strategies." *American Sociological Review* 51, 2: 273-286.

Kunda, Gideon. 1992. Excerpts from *Engineering Culture: Control and Commitment in a High-Tech Corporation*.

Fukuyama, Francis. 1998. Chapters 10, 11 and 14-17 in *Trust* [Pp. 97-125 and 161-207].

VI- Performativity and the Economy:

Mackenzie, Donald and Yuval Millo. 2003. *Constructing a Market: The Historical Sociology of a Financial Derivatives Exchange*. *American Journal of Sociology* 109, 1: 107-145 [From JSTOR]

Cochoy, Franck. "Another Discipline for the Market Economy: Marketing as a Performative Knowledge and Know-how for Capitalism." in Michel Callon (Ed.) *The Laws of the Market*. Oxford: Blackwell: 194-218.

VII-Power:

Fligstein, Neil. 1987. "The Interorganizational Power Struggle: Rise of Financial Capital to Top Leadership in Large Corporations, 1919-1979." *American Sociological Review* 52, 1: 44-58. [From JSTOR]

Roy, William. Excerpts from *Socializing Capital: The Rise of the Large Industrial Corporation in America* (1997, Princeton University Press).

VIII-Networks:

Granovetter, Mark. 1981. "Economic Action and Social Structure. The Problem of Embeddedness." *American Journal of Sociology* 91, 3: 481-510.

Burt, Ron. 1992. "From Structural Holes". Pp. 325-347 in Frank Dobbin (Ed.) *The New Economic Sociology*. Princeton: Princeton University Press.

IX-Markets:

Swedberg, Richard. 1994. "Markets as Social Structures", Chapter 11 in Neil Smelser y Richard Swedberg (Eds.) *The Handbook of Economic Sociology*. Princeton: Princeton University Press [Pp. 255-274].

Fligstein, Neil. 2001. Chapter 2. *The Architecture of Markets*. Princeton: Princeton University Press.

Baker, Wayne. 1984. "The Social Structure of a National Securities Market." *American Sociological Review*

X-The Firm:

Williamson, Oliver. 1988. "The Logic of Economic Organization".

Di Maggio, Paul J. y Walter W. Powell. 1983. "The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields." *American Sociological Review* 48: 147-160. [from JSTOR]

XI-State and the Economy:

Block, Fred. 1992. "The State and the Economy". In *Handbook of Economic Sociology*, edited by Neil Smelser and Richard Swedberg.

Fligstein, Neil. "States, Markets, and Economic Growth", in *The Economic Sociology of Capitalism*, edited by Victor Nee and Richard Swedberg.

XII-Value and the Economy:

Viviana Zelizer. 1978. "Human Values and the Market: The Case of Life Insurance and Death in 19th Century America." *American Journal of Sociology* 84, 3: 591-610

Fourcade, Marion. 2011. "Cents and Sensibility: Economic Valuation and the "Value" of Nature." *American Journal of Sociology* 116, 6: 1721-1777